

Bumrungrad Hospital Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month periods ended
31 March 2009 and 2008

Review report of Independent Auditor

To the Shareholders of Bumrungrad Hospital Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Bumrungrad Hospital Public Company Limited and its subsidiaries as at 31 March 2009, the related consolidated statements of income, changes in shareholders' equity and cash flows for the three-month periods ended 31 March 2009 and 2008, and the separate financial statements of Bumrungrad Hospital Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

Except for the matter as discussed in the third paragraph, I conducted my reviews in accordance with the auditing standards applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

As discussed in Note 7 to the financial statements, the Company's consolidated financial statements included investment in an associated company under the equity method as at 31 March 2009 and 2008 amounting to Baht 1,263.1 million and Baht 1,150.1 million, respectively, and shares of income of the associated company for the three-month periods ended 31 March 2009 and 2008 amounting to Baht 12.2 million and Baht 24.0 million, respectively. The consolidated financial statements of that associated company mostly comprise figures derived from the financial statements of its overseas subsidiaries and joint venture, which were prepared by the subsidiaries' and joint venture's management and have not been reviewed by their auditors.

Based on my reviews, except for the effects of any adjustments to the financial statements for the three-month periods ended 31 March 2009 and 2008 which may be required as a result of the scope limitation imposed by circumstance discussed in the third paragraph, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries, and the separate financial statements of Bumrungrad Hospital Public Company Limited for the year ended 31 December 2008, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements, under my report dated 25 February 2009. The consolidated and separate balance sheets as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Vissuta Jariyathanakorn
Certified Public Accountant (Thailand) No. 3853

Ernst & Young Office Limited
Bangkok: 13 May 2009

Bumrungrad Hospital Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2009	31 December 2008	31 March 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		351,276	384,642	315,659	350,881
Trade accounts receivable - net	3	569,463	494,122	568,391	492,376
Amounts due from related parties	4	13,736	8,797	13,853	8,797
Advances to employees and directors		10,534	8,786	10,534	8,786
Inventories		188,957	187,975	184,768	184,131
Prepaid expenses		73,823	52,243	73,144	51,716
Other current assets		5,949	5,011	5,521	4,703
Total current assets		1,213,738	1,141,576	1,171,870	1,101,390
Non-current assets					
Restricted bank deposits	2	19,246	17,147	10,892	8,793
Investments in subsidiaries - net	5	-	-	1,194,115	1,172,513
Investment in joint venture	6	6,085	6,085	6,120	6,120
Investments in associated companies - net	7	1,269,206	1,234,931	1,013,453	1,013,453
Other long-term investments - net		2,247	2,247	2,047	2,047
Property, plant and equipment - net	8	5,415,295	5,373,731	4,468,315	4,412,802
Intangible assets - net	9	304,097	310,364	336,238	343,423
Other non-current assets		17,004	18,163	20,004	21,163
Total non-current assets		7,033,180	6,962,668	7,051,184	6,980,314
Total assets		8,246,918	8,104,244	8,223,054	8,081,704

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>31 March 2009</u>	<u>31 December 2008</u>	<u>31 March 2009</u>	<u>31 December 2008</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loan from financial institution		-	200,000	-	200,000
Trade accounts payable		509,187	504,341	507,930	502,593
Construction and medical equipment payable		43,027	77,127	43,027	77,127
Amounts due to related parties	4	-	2,015	487	3,683
Current portion of long-term loans	10	569,279	569,279	131,250	131,250
Current portion of long-term loan and interest payable - a related party	4	-	-	438,029	438,029
Accrued physicians' fees		297,237	262,461	296,087	261,311
Interest payable		222	565	129	313
Interest payable - convertible bonds treated as equity securities		3,205	11,575	3,205	11,575
Corporate income tax payable		320,641	195,480	316,981	193,046
Accrued expenses		276,784	260,095	275,342	258,021
Share subscription payable - subsidiary	2	-	-	21,957	-
Accounts payable - others		15,452	16,098	15,111	15,773
Other current liabilities		21,365	23,825	20,861	23,421
Total current liabilities		2,056,399	2,122,861	2,070,396	2,116,142
Non-current liabilities					
Long-term loan and interest payable - a related party	4	-	-	411,207	501,207
Long-term loans	10	973,702	1,116,022	754,688	787,500
Total non-current liabilities		973,702	1,116,022	1,165,895	1,288,707
Total liabilities		3,030,101	3,238,883	3,236,291	3,404,849

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>31 March 2009</u>	<u>31 December 2008</u>	<u>31 March 2009</u>	<u>31 December 2008</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	11				
Registered					
920,954,935 ordinary shares of Baht 1 each (31 December 2008: 920,919,935 ordinary shares of Baht 1 each)		920,955	920,920	920,955	920,920
1,747,750 preference shares of Baht 1 each (31 December 2008: 1,782,750 preference shares of Baht 1 each)		1,748	1,783	1,748	1,783
Issued and paid-up					
728,304,472 ordinary shares of Baht 1 each (31 December 2008: 728,269,472 ordinary shares of Baht 1 each)		728,304	728,269	728,304	728,269
1,747,750 preference shares of Baht 1 each (31 December 2008: 1,782,750 preference shares of Baht 1 each)		1,748	1,783	1,748	1,783
Premium on ordinary shares		285,568	285,568	285,568	285,568
Other paid-in capital of an associated company		252,173	252,173	-	-
Translation adjustment		(32,067)	(53,479)	-	-
Convertible bonds treated as equity securities		550,000	550,000	550,000	550,000
Excess of investment over book value of a subsidiary		(192,662)	(192,662)	-	-
Retained earnings					
Appropriated - statutory reserve		92,275	92,275	92,275	92,275
Unappropriated		3,531,478	3,201,434	3,328,868	3,018,960
Total shareholders' equity		5,216,817	4,865,361	4,986,763	4,676,855
Total liabilities and shareholders' equity		8,246,918	8,104,244	8,223,054	8,081,704
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

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Directors
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(Unaudited but reviewed)

Bumrungrad Hospital Public Company Limited and its subsidiaries**Income statements****For the three-month periods ended 31 March 2009 and 2008**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Revenues					
Revenues from hospital operations	4	2,260,820	2,176,357	2,243,642	2,154,905
Rental income	4	31,851	32,531	38,367	39,095
Interest income		647	2,021	579	1,950
Exchange gains		9,736	5,966	9,380	5,965
Other income	4	24,523	11,435	24,524	11,435
Total revenues		2,327,577	2,228,310	2,316,492	2,213,350
Expenses					
Cost of hospital operations	4	1,369,631	1,311,029	1,363,101	1,305,928
Depreciation and amortisation		133,381	100,419	119,418	86,474
Administrative expenses	4	324,366	318,858	341,353	340,873
Management's remuneration		21,612	19,822	20,222	19,822
Total expenses		1,848,990	1,750,128	1,844,094	1,753,097
Income before finance cost and corporate income tax		478,587	478,182	472,398	460,253
Share of income (loss) from investments in associated companies	7	13,635	(5,085)	-	-
Finance cost	4	(22,741)	(27,471)	(25,560)	(29,371)
Income before corporate income tax		469,481	445,626	446,838	430,882
Corporate income tax	12	(131,423)	(131,196)	(128,916)	(126,856)
Net income for the period		338,058	314,430	317,922	304,026
					(Unit: Baht)
Earnings per share					
13					
Basic earnings per share					
Net income for the period		0.46	0.43	0.44	0.42
Weighted average number of ordinary shares (shares)		728,277,250	728,215,965	728,277,250	728,215,965
					(Unit: Baht)
Diluted earnings per share					
Net income for the period		0.39	0.36	0.37	0.35
Weighted average number of ordinary shares (shares)		867,414,859	867,414,859	867,414,859	867,414,859

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bumrungrad Hospital Public Company Limited and its subsidiaries**Statements of cash flows****For the three-month periods ended 31 March 2009 and 2008**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities				
Income before corporate income tax	469,481	445,626	446,838	430,882
Adjustments to reconcile income before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	133,381	100,419	119,418	86,474
Allowance for loss on impairment of assets	-	-	-	4,823
Bad debts and allowance for doubtful accounts	8,910	13,479	8,910	13,479
Loss on sales of equipment	633	130	633	130
Share of loss (income) from investments in associated companies	(13,635)	5,085	-	-
Interest expense	22,741	27,471	25,560	29,371
Income from operating activities before changes in operating assets and liabilities	621,511	592,210	601,359	565,159
Operating assets (increase) decrease				
Trade accounts receivable	(84,251)	14,242	(84,925)	14,806
Amounts due from related parties	(4,939)	(2,037)	(5,056)	(3,077)
Inventories	(982)	10,678	(637)	10,546
Other current assets	(22,518)	(5,550)	(22,246)	(3,271)
Operating liabilities increase (decrease)				
Trade accounts payable	4,846	(173,252)	5,337	(173,718)
Amounts due to related parties	(2,015)	-	(2,841)	-
Accrued physicians' fees	34,776	(20,322)	34,776	(20,199)
Accrued expenses	16,689	83,442	17,321	83,176
Accounts payable - others	(580)	6,199	(596)	6,036
Other current liabilities	(2,460)	(22,960)	(2,560)	(22,804)
Cash flows from operating activities	560,077	482,650	539,932	456,654
Cash paid for interest expense	(23,084)	(28,241)	(25,744)	(29,609)
Cash paid for corporate income tax	(6,262)	(6,912)	(4,981)	(4,504)
Net cash flows from operating activities	530,731	447,497	509,207	422,541

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bumrungrad Hospital Public Company Limited and its subsidiaries**Statements of cash flows (continued)****For the three-month periods ended 31 March 2009 and 2008**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from investing activities				
Increase in restricted bank deposits	(2,099)	-	(2,099)	-
Increase in advances to employees and directors	(1,748)	(3,715)	(1,748)	(3,723)
Decrease in short-term loans and interest receivable				
- a related party	-	-	-	10,058
Acquisition of investments in associated companies	-	(141,750)	-	(141,750)
Acquisition of property, plant and equipment and repayment				
of construction and medical equipment payable	(199,577)	(695,707)	(199,563)	(695,707)
Proceeds from sales of equipment	375	751	375	751
Acquisition of computer software	(3,291)	(9,267)	(3,291)	(9,267)
Decrease in other non-current assets	1,159	55	1,159	55
Net cash flows used in investing activities	(205,181)	(849,633)	(205,167)	(839,583)
Cash flows from financing activities				
Repayment of short-term loan from financial institution	(200,000)	-	(200,000)	-
Repayment of long-term loan - a related party	-	-	(90,000)	(60,000)
Cash receipt from long-term loans	-	400,000	-	400,000
Repayment of long-term loans	(142,320)	(114,943)	(32,812)	(32,812)
Dividend paid	(66)	-	(66)	-
Interest paid for convertible bonds treated as equity securities	(16,384)	(8,822)	(16,384)	(8,822)
Net cash flows from (used in) financing activities	(358,770)	276,235	(339,262)	298,366
Decrease in translation adjustment	(146)	-	-	-
Net decrease in cash and cash equivalents	(33,366)	(125,901)	(35,222)	(118,676)
Cash and cash equivalents at beginning of period	384,642	549,864	350,881	508,940
Cash and cash equivalents at end of period	351,276	423,963	315,659	390,264
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bumrungrad Hospital Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity
For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

		Consolidated financial statements									
		Issued and paid-up share capital		Premium on	Other paid-in	Translation	Convertible	Excess of	Retained earnings		
		Ordinary shares	Preference shares	ordinary shares	capital of	adjustment of	bonds treated as	investment over	Appropriated-	Total	
Note					an associated	an associated	equity securities	a subsidiary	statutory reserve	Unappropriated	
	Balance as at 1 January 2008	728,202	1,850	285,568	256,549	9,985	550,000	(192,662)	92,275	2,617,255	4,349,022
	Translation adjustment	-	-	-	-	(113,454)	-	-	-	-	(113,454)
	Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	-	-	-	(4,315)	(4,315)
	Change in subsidiary's minority interest of an associated	-	-	-	7,271	-	-	-	-	-	7,271
	Net income and expenses recognised directly in equity	-	-	-	7,271	(113,454)	-	-	-	(4,315)	(110,498)
	Net income for the period	-	-	-	-	-	-	-	-	314,430	314,430
	Total income and expense for the period	-	-	-	7,271	(113,454)	-	-	-	310,115	203,932
	Preference shares converted to ordinary shares	67	(67)	-	-	-	-	-	-	-	-
	Balance as at 31 March 2008	728,269	1,783	285,568	263,820	(103,469)	550,000	(192,662)	92,275	2,927,370	4,552,954
	Balance as at 1 January 2009	728,269	1,783	285,568	252,173	(53,479)	550,000	(192,662)	92,275	3,201,434	4,865,361
	Translation adjustment	-	-	-	-	21,412	-	-	-	-	21,412
	Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	-	-	-	(8,014)	(8,014)
	Net income and expenses recognised directly in equity	-	-	-	-	21,412	-	-	-	(8,014)	13,398
	Net income for the period	-	-	-	-	-	-	-	-	338,058	338,058
	Total income for the period	-	-	-	-	21,412	-	-	-	330,044	351,456
	Preference shares converted to ordinary shares	35	(35)	-	-	-	-	-	-	-	-
	Balance as at 31 March 2009	728,304	1,748	285,568	252,173	(32,067)	550,000	(192,662)	92,275	3,531,478	5,216,817

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bumrungrad Hospital Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Note	Separate financial statements						Total
		Issued and paid-up share capital		Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings		
		Ordinary shares	Preference shares			Appropriated- statutory reserve	Unappropriated	
Balance as at 1 January 2008		728,202	1,850	285,568	550,000	92,275	2,211,051	3,868,946
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	(4,315)	(4,315)
Net expenses recognised directly in equity		-	-	-	-	-	(4,315)	(4,315)
Net income for the period		-	-	-	-	-	304,026	304,026
Total income for the period		-	-	-	-	-	299,711	299,711
Preference shares converted to ordinary shares	11	67	(67)	-	-	-	-	-
Balance as at 31 March 2008		<u>728,269</u>	<u>1,783</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>2,510,762</u>	<u>4,168,657</u>
Balance as at 1 January 2009		728,269	1,783	285,568	550,000	92,275	3,018,960	4,676,855
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	(8,014)	(8,014)
Net expenses recognised directly in equity		-	-	-	-	-	(8,014)	(8,014)
Net income for the period		-	-	-	-	-	317,922	317,922
Total income for the period		-	-	-	-	-	309,908	309,908
Preference shares converted to ordinary shares	11	35	(35)	-	-	-	-	-
Balance as at 31 March 2009		<u>728,304</u>	<u>1,748</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>3,328,868</u>	<u>4,986,763</u>
		-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Bumrungrad Hospital Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month periods ended 31 March 2009 and 2008

1. General information

1.1 Corporate information

Bumrungrad Hospital Public Company Limited (the Company) is registered as a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business, investment in other companies and rental of properties service and its registered address is 33 Soi 3 (Nana Nua) Sukhumvit Road, Klongtoey Nua Sub District, Wattana District, Bangkok.

1.2 Economic crisis

The financial crisis experienced by the United States of America over the past year has had a far reaching adverse effect on the global economy as evidenced by sharp falls in share prices worldwide, a tight squeeze on credit including interbank lending, failures of large financial institutions and reduced consumer confidence. The crisis has substantially affected the business and financial plans of Thailand enterprises and asset value. Despite efforts made by governments of many countries to contain the crisis, it remains uncertain as to when the global economy will return to normalcy. These financial statements have been prepared on the bases of facts currently known to the Company, and on estimates and assumptions currently considered appropriate. However, they could be adversely affected by an array of future events.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 41 (revised 2007) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and the statements of income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

1.4 Accounting standards which are effective for the current year

The Federation of Accounting Professions has issued Notification No. 86/2551 mandating the use of the following new accounting standards.

TAS 36 (revised 2007)	Impairment of Assets
TAS 54 (revised 2007)	Non-current Assets Held for Sale and Discontinued Operations

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that they do not have any significant impact on the financial statements for the current period.

1.5 Basis of consolidation

These interim consolidated financial statements include the financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries (the Group) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2008. There have been no changes in the composition of the Group during the current period, except the investment in a subsidiary as below.

- Asia Global Health Ltd. (AGH) has been incorporated and registered in Hong Kong on 26 March 2009 with registered capital of HKD 9.5 million (approximately Baht 44.2 million), comprising of 1,220,000 common shares with par value of HKD 7.8 per share. The Company has invested in 100% of AGH's issued and paid-up capital (currently 50% of the registered capital is issued) in the amount of HKD 4.8 million (approximately Baht 21.6 million). As a result, AGH is a subsidiary of the Company. AGH was set up for regional investment opportunities in healthcare and related business. As at 31 March 2009, the Company has not paid for the share subscription and recorded as share subscription payable - subsidiary in the separate balance sheet.

1.6 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2008.

2. Restricted bank deposits

These bank deposits have been pledged with banks to secure bank guarantees issued by banks on behalf of the Company and a subsidiary (Bumrungrad Medical Center Ltd).

3. Trade accounts receivable

The balances of trade accounts receivable, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2009	2008	2009	2008
<u>Age of receivables</u>				
Not yet due	250,836	232,951	250,253	232,346
Past due				
1 - 30 days	125,487	107,490	125,315	107,132
31 - 60 days	80,880	36,699	80,732	36,572
61 - 90 days	27,399	23,019	27,290	22,993
91 - 180 days	26,148	46,066	26,057	45,492
181 - 365 days	46,455	39,191	45,964	38,580
More than 365 days	108,714	98,745	106,652	96,716
Total	665,919	584,161	662,263	579,831
Less: Allowance for doubtful debts	(96,456)	(90,039)	(93,872)	(87,455)
Trade accounts receivable - net	569,463	494,122	568,391	492,376

4. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and based agreed upon between the Company and those related parties.

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2009	2008	2009	2008	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	2.3	3.2	Cost plus margin
Rental income	-	-	6.5	6.6	As per contracts 4.1)
Lab service expense	-	-	1.7	-	Cost plus margin
Rental expense	-	-	22.2	22.2	As per contract 4.2)
Interest expense	-	-	12.8	17.6	MLR less 1% p.a.
<u>Transactions with associated companies</u>					
Rental income	0.2	0.2	0.2	0.2	Actual charge
Consulting fee income	2.6	3.5	2.6	3.5	As per contract 4.3)
<u>Transactions with related companies</u>					
Medical service income	8.1	1.9	8.1	1.9	Cost plus margin
Other income	0.7	0.2	0.7	0.2	At cost
Rental expense	-	4.4	-	4.4	As per contract 4.4)
Donation expense	3.0	2.0	3.0	2.0	-
Insurance expense	4.9	6.2	4.9	6.2	As per insurance policies
Financial advisory fee	-	0.7	-	0.7	As per contract
Purchase of land and building	-	470.0	-	470.0	As per contract 4.4)

4.1) A subsidiary (Bumrungrad Medical Center Ltd.) has leased a plot of land from the Company. The lease agreement covers a period of 30 years, commencing from the year 1996. The rental fee is Baht 22.2 million per annum.

Another subsidiary (Vitallife Corporation Ltd.) has leased building spaces from the Company for use in its operations. The lease agreement covers a period of 11 years, commencing from the year 2001. The subsidiary has to pay rental fee equal to 5% of gross revenue inclusive of value added tax, but not less than Baht 238,200 per month.

4.2) The Company has leased hospital building from a subsidiary (Bumrungrad Medical Center Ltd.) for use in its hospital business. The rental fee is Baht 88.8 million per annum. The agreement will be expired on July 2010.

4.3) On 2 June 2006, the Company entered into a Consulting Support Agreement with an associate (Bumrungrad International Ltd.). The associate has been obliged to pay such fee totaling Baht 1.2 million per month starting from April 2007. Subsequently, in the first quarter of 2009, the Company and the associate agreed to change the fee to totaling Baht 0.9 million per month starting from January 2009 onwards. The agreement will expire as per the agreement's conditions.

4.4) The Company had entered into an agreement to lease land and a building (BH Residence Tower) from Bangkok Bank Plc. for a period of 3 years, commencing from August 2000. The rental fee was calculated at the rate of 75% of net income (total revenues minus total expenses) from the sub-lease, with a minimum rental of Baht 8 million per annum. Subsequently, the bank approved renewal of agreement, commencing on 29 August 2005 to 28 February 2008. The rate of rental and other conditions shall be in accordance with the initial agreement.

On 18 February 2008, the Company entered into purchase agreement to acquire the land and building (BH Residence Tower) from Bangkok Bank Plc. at a price of Baht 470.0 million. The purchase price does not exceed the appraisal value of an independent valuer.

The balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2009	2008	2009	2008
<u>Amounts due from related parties</u>				
<u>Subsidiary company</u>				
Asia Global Health Ltd.	-	-	117	-
<u>Joint venture</u>				
Asia Renal Care (Thailand) Ltd.	-	70	-	70
<u>Associated company</u>				
Bumrungrad International Ltd.	6,739	3,257	6,739	3,257
<u>Related party</u>				
The Bumrungrad Hospital Foundation	6,997	5,470	6,997	5,470
Total	<u>13,736</u>	<u>8,797</u>	<u>13,853</u>	<u>8,797</u>
<u>Amounts due to related parties</u>				
<u>Subsidiary company</u>				
Vitalife Corporation Ltd.	-	-	487	1,668
<u>Associate company</u>				
CDE Trading Ltd.	-	2,015	-	2,015
Total	<u>-</u>	<u>2,015</u>	<u>487</u>	<u>3,683</u>
<u>Long-term loan and interest payable - a related party</u>				
<u>Subsidiary company</u>				
Bumrungrad Medical Center Ltd.				
Long-term loan	-	-	849,236	939,236
Less: Current portion	-	-	438,029	438,029
Non-current portion	<u>-</u>	<u>-</u>	<u>411,207</u>	<u>501,207</u>

(Unaudited but reviewed)

The long-term loan from Bumrungrad Medical Center Ltd. carries interest at the rate of MLR less 1% per annum.

During the period, movements of loan from related party was as follows:

(Unit: Thousand Baht)

	Balance as at 31 December 2008		Increase	Decrease	Balance as at 31 March 2009	
<u>Long-term loan and interest payable - a related party</u>						
<u>Subsidiary company</u>						
Bumrungrad Medical Center Ltd.						
Principal	939,236	-	(90,000)	849,236		
Interest payable	-	12,775	(12,775)	-		
	<u>939,236</u>	<u>12,775</u>	<u>(102,775)</u>	<u>849,236</u>		

5. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
			(%)	(%)						
Bumrungrad Medical Center Ltd.	958,954	958,954	100.00	100.00	1,691,903	1,691,903	545,000	545,000	1,146,903	1,146,903
Vitalife Corporation Ltd.	31,500	31,500	100.00	100.00	25,610	25,610	-	-	25,610	25,610
Asia Global Health Ltd.	21,602	-	100.00	-	21,602	-	-	-	21,602	-
Total					<u>1,739,115</u>	<u>1,717,513</u>	<u>545,000</u>	<u>545,000</u>	<u>1,194,115</u>	<u>1,172,513</u>

6. Investment in joint venture

6.1 Details of investment in joint venture.

Investment in joint venture represents investment in entity which is jointly controlled by the Company and other company. Details of this investment is as follows:

(Unit: Thousand Baht)

Jointly controlled entity		Nature of business		Consolidated financial statements			
				Shareholding percentage		Cost	
		31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
		(%)	(%)				
Asia Renal Care (Thailand) Ltd.	Investment in other companies	51.00	51.00	6,120	6,120	6,085	6,085

(Unit: Thousand Baht)

Jointly controlled entity		Nature of business		Separate financial statements			
				Shareholding percentage		Carrying amount based on cost method	
		31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
		(%)	(%)				
Asia Renal Care (Thailand) Ltd.	Investment in other companies	51.00	51.00			6,120	6,120

The Company's management has deemed the investment in Asia Renal Care (Thailand) Ltd. (ARCT) to be an investment in a jointly controlled entity, held between the Company and Asia Renal Care (SEA) Pte Ltd. Although the Company has a 51% shareholding in ARCT, both joint venturers have entered into the Joint Venture Agreement dated 23 February 2009. The agreement stipulates joint control between the two parties through the board of directors of that jointly controlled entity, with each joint venturer having the same representation. In addition, neither joint venturer has control over the operations of the jointly controlled entity.

6.2 Summarised financial information of jointly controlled entity

Financial information of the jointly controlled entity is summarised below.

(Unit: Million Baht)

Jointly controlled entity	Paid-up capital as		Total assets as at		Total liabilities as at		Total revenues		Net loss	
	at 31 March		31 March		31 March		for the three-month		for the three-month	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Asia Renal Care (Thailand) Ltd.	12.0	-	11.9	-	0.1	-	-	-	-	-

7. Investments in associated companies

7.1 Details of investments in associated companies.

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			31 March	31 December	31 March	31 December	31 March	31 December
			2009	2008	2009	2008	2009	2008
Bumrungrad International Ltd.	Holding company	Thailand	31.50	31.50	1,007,790	1,007,790	1,263,145	1,229,417
CDE Trading Ltd.	Development of software for hospital business	Thailand	30.00	30.00	21,663	21,663	(26,080)	(27,545)
Total							1,237,065	1,201,872
Add: Deferred gain on sales of computer software - net							32,141	33,059
Total							1,269,206	1,234,931

Deferred gain on sales of software is a gain from an associated company's sale of computer software to the Company in year 2007, which had been eliminated against investment in the associated company. During the year 2008, the Company transferred the deferred gain to deduct against the relevant intangible asset (Note 9 to financial statements). The deferred gain is amortised over 10 years, which is the period for which the software is expected to generate economic benefit.

(Unit: Thousand Baht)

Separate financial statements								
Company's name	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
	(%)	(%)						
Bumrungrad International Ltd.	31.50	31.50	1,007,790	1,007,790	-	-	1,007,790	1,007,790
CDE Trading Ltd.	30.00	30.00	21,663	21,663	16,000	16,000	5,663	5,663
Total			1,029,453	1,029,453	16,000	16,000	1,013,453	1,013,453

7.2 Share of income/loss and dividend received

During the period, the Company recognised its share of net income/loss from investments in associate companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of income/(loss) from investments in associates during the three-month periods ended 31 March		Dividend received during the three-month periods ended 31 March	
	2009	2008	2009	2008
Bumrungrad International Ltd.	12,170	23,950	-	-
CDE Trading Ltd.	1,465	(29,035)	-	-
Total	13,635	(5,085)	-	-

The share of income from investment in an associated company (Bumrungrad International Ltd.) for the three-month period ended 31 March 2009 amounting to Baht 12.2 million (2008: Baht 24.0 million) has been calculated from the management accounts of the associated company which have not been reviewed by its auditor.

7.3 Summarised financial information of associated companies

Financial information of the associated companies is summarised below.

Company's name	Paid-up capital as		Total assets as at		Total liabilities as at		Total revenues		Net income (loss)		
	at 31 March		31 March		31 March		for the three-month		for the three-month		
							periods ended		periods ended		
	2009		2008		2009		2008		2009		2008
Bumrungrad International Ltd.	3,199.3	3,199.3	6,986.4	6,832.0	2,316.8	2,083.3	1,022.1	924.7	38.6	75.4	
CDE Trading Ltd.	10.0	10.0	29.8	1,473.8	9.6	11.3	-	7.7	-	(95.3)	

8. Property, plant and equipment

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2009	5,373,731	4,412,802
Acquisitions during period - at cost	165,477	165,463
Disposals during period - net book value at disposal date	(1,008)	(1,008)
Depreciation for period	(122,905)	(108,942)
Net book value as at 31 March 2009	5,415,295	4,468,315

The Company has mortgaged all of the land with a book value of Baht 290.9 million (Baht 567.7 million appraisal fair value as of 25 November 2008) with a commercial bank, acting as bondholders' trustee, as collateral for the convertible bonds treated as equity securities.

The Company and the subsidiary (Bumrungrad Medical Center Ltd.) have mortgaged their land and buildings and pledged medical instruments and hospital equipment, with a total net book value as at 31 March 2009 of Baht 1,735.7 million (Separate financial statements: Baht 789.1 million) (31 December 2008: Baht 1,751.4 million (Separate financial statements: Baht 791.5 million)), as collaterals for long-term loans granted by a local commercial bank as described in Note 10 to the financial statements.

9. Intangible assets

Movements of intangible assets which is computer software during the three-month period ended 31 March 2009 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2009	310,364	343,423
Acquisition during period - at cost	3,291	3,291
Amortisation during the period	(10,476)	(10,476)
Realised gain on sales of software during the period	918	-
Net book value as at 31 March 2009	304,097	336,238

10. Long-term loans

(Unit: Thousand Baht)

Tranche	Interest rate (%)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			31 March 2009	31 December 2008	31 March 2009	31 December 2008
			A	Average MLR-1.25	24 quarterly installments, commencing 30 December 2004	657,043
B2	Average MLR-1.25	32 quarterly installments, commencing 31 March 2008	548,438	568,750	548,438	568,750
C	Average MLR-1.25	32 quarterly installments, commencing 31 March 2008	337,500	350,000	337,500	350,000
Total			1,542,981	1,685,301	885,938	918,750
Less: Current portion			(569,279)	(569,279)	(131,250)	(131,250)
Non-current portion			973,702	1,116,022	754,688	787,500

(Unaudited but reviewed)

Movements in long-term loan account during the three-month period ended 31 March 2009 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2009	1,685,301	918,750
Less: Repayment	(142,320)	(32,812)
Balance as at 31 March 2009	<u>1,542,981</u>	<u>885,938</u>

The loans are secured by mortgaged land and buildings and pledged medical instruments and hospital equipment as described in Note 8 to the financial statements.

The loan agreement contains normal covenants pertaining to matters such as the maintenance of certain financial ratios, and restriction on financial indebtedness and the payment of dividends, among others.

As at 31 March 2009, outstanding long-term credit facilities of the Company and its subsidiary which have yet to be drawn down total Baht 320.0 million as follows:

Tranche	Interest rate (%)	Facility objective	Outstanding credit facilities (Million Baht)
D	MMR	For working capital and drawdown within 31 December 2015	300
E	MOR	For working capital and drawdown within 31 December 2015	20
Total			<u>320</u>

11. Share capital

In the first quarter of 2009, 35,000 preference shares (2008: 66,700 shares) were converted into ordinary shares at ratio of one preference share to one ordinary share. The Company registered this conversion with the Ministry of Commerce on 12 March 2009.

12. Corporate income tax

Corporate income tax for the three-month periods ended 31 March 2009 and 2008 of the Company and subsidiaries have been calculated by multiplying income before income tax for the period by the estimated effective tax rate for the year.

13. Earnings per share

The following table sets forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
For the three-month periods ended 31 March						
Net income		Weighted average number of ordinary shares		Earnings per share		
2009	2008	2009	2008	2009	2008	
(Thousand Baht)	(Thousand Baht)	(Shares)	(Shares)	(Thousand Baht)	(Thousand Baht)	
Basic earnings per share						
Net income	338,058	314,430	728,277,250	728,215,965	0.46	0.43
Effect of dilutive potential ordinary shares						
Preference shares	-	-	1,774,972	1,836,257		
Convertible bonds	-	-	137,362,637	137,362,637		
Diluted earnings per share						
Net income assuming the conversion of dilutive potential ordinary shares	<u>338,058</u>	<u>314,430</u>	<u>867,414,859</u>	<u>867,414,859</u>	0.39	0.36
Separate financial statements						
For the three-month periods ended 31 March						
Net income		Weighted average number of ordinary shares		Earnings per share		
2009	2008	2009	2008	2009	2008	
(Thousand Baht)	(Thousand Baht)	(Shares)	(Shares)	(Thousand Baht)	(Thousand Baht)	
Basic earnings per share						
Net income	317,922	304,026	728,277,250	728,215,965	0.44	0.42
Effect of dilutive potential ordinary shares						
Preference shares	-	-	1,774,972	1,836,257		
Convertible bonds	-	-	137,362,637	137,362,637		
Diluted earnings per share						
Net income assuming the conversion of dilutive potential ordinary shares	<u>317,922</u>	<u>304,026</u>	<u>867,414,859</u>	<u>867,414,859</u>	0.37	0.35

14. Segment information

The Company's and its subsidiaries' business operations involve a single industry segment, the hospital and health care center, and are carried on in the single geographic area in Thailand. As a result, all of the revenues, operating income and assets reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

15. Commitments and contingent liabilities

15.1 Capital commitments

As at 31 March 2009, the Company has capital commitments to pay a total of Baht 314.1 million (31 December 2008: Baht 70.3 million) in relation to the renovation agreement of building and Baht 34.6 million (31 December 2008: Baht 66.6 million) in respect of purchase of medical instrument and hospital equipment.

15.2 Operating lease and long-term service commitments

The Company has entered into several lease agreements in respect of the lease of lands, buildings, vehicles and equipment and long-term service agreements. The terms of the agreements are generally between 2 and 5 years and are non-cancellable.

As at 31 March 2009, future minimum payments required under these non-cancellable operating leases agreements and long-term service agreements were as follows.

(Unit: Million Baht)

Details of commitments	Payable within			Total
	Less than 1 year	1 to 5 years	More than 5 years	
1) Fee to a bank which is bondholders' representative	0.3	0.6	-	0.9
2) Land rental expense for construction of nursing dormitory (shall be extended for a further period of 20 years)	33.6	7.7	50.4	91.7
3) Lease of medical instrument	15.0	-	-	15.0
4) Lease of land and building for operating service apartment (shall be extended for a further period of 2 years)	19.2	-	-	19.2
5) Lease of building for nursing dormitory and related services (shall be renewed automatically)	15.1	11.1	-	26.2
6) Maintenance service fee for medical instrument	48.0	142.0	-	190.0
7) Rental and maintenance service fee for cars	12.0	12.0	-	24.0

15.3 Commitments from other contracts

The Company has entered into three equipment utilisation contracts with three local companies. The contracts cover period of 5 - 7 years and under the conditions of the contracts, the Company is required to purchase medical supplies to use with the medical equipment at the prices specified in the contracts in total throughout the period of those contracts. As at 31 March 2009, there was a minimum amount of Baht 409.1 million which the Company required to purchase according to the contracts.

15.4 Uncalled portion of investment in subsidiary

As at 31 March 2009, the Company has a commitment of HKD 4.8 million in respect of the uncalled portion of investment in subsidiary.

15.5 Bank guarantees

As at 31 March 2009, there were outstanding bank guarantees of Baht 10.9 million (31 December 2008: Baht 10.9 million) issued by a bank on behalf of the Company, and of Baht 8.4 million (31 December 2008: Baht 8.4 million) issued on behalf of a subsidiary. All were required in the normal course of business e.g. payment of utility expenses and space rental.

16. Subsequent event

On 28 April 2009, the Company's Annual General Meeting of Shareholders approved the payment of a final dividend of Baht 0.40 per share from the Company's income for the year ended 31 December 2008 to the Company's shareholders. This constitutes a total dividend of Baht 292.0 million which is to be paid on 26 May 2009. The meeting also acknowledged payment of interim dividend of Baht 0.40 per share.

17. Reclassification

Certain amounts in the financial statements for the three month period ended 31 March 2008 have been reclassified to conform to the current period's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Cost of hospital operations	1,311,029	1,316,935	1,305,928	1,311,834
Administrative expenses	318,858	332,774	340,873	354,789
Management's remuneration	19,822	-	19,822	-

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2009.